

A retailer that knowingly makes overcollections of tax from customers is guilty of a Class 4 felony. 35 ILCS 105/14 (1996 State Bar Edition). (This is a GIL.)

February 5, 1999

Dear Mr. Xxxxx:

This letter is in response to your letter dated January 12, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

This is to report that a CITY, Illinois retail establishment has attempted to overcharge for sales tax. On Saturday, January 9, 1999 I visited the BUSINESS in CITY, Illinois. I selected one item for purchase, Ban roll-on deodorant, marked with a price of \$2.00. The cashier rang up the sale on the cash register, and it showed an amount due of \$2.15. I asked how it was so high, and the cashier responded that it was for the sales tax.

I believe that the sales tax rate to be collected in CITY is 6 1/4%, which would have resulted in a total of \$2.13. This may have been going on unnoticed for a significant period of time.

The Department has written to the retailer to inform him of the correct rate of tax in CITY. You were correct that the sales tax rate for CITY is 6.25%. Please see the enclosed Sales Tax Rate Reference Manual.

A taxpayer may not collect Use Tax (sales tax) in Illinois at a rate that is higher than the rate imposed in that jurisdiction. Overcollections of tax must be either refunded to the customer or remitted to the State. A retailer that knowingly makes overcollections of tax from customers is guilty of a Class 4 felony. 35 ILCS 105/14 (1996 State Bar Edition).

The Department of Revenue maintains a Web site which can be accessed at [www.revenue.state.il.us](http://www.revenue.state.il.us). If you have any questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

ST 99-0060-GIL

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Melanie A. Jarvis  
Associate Counsel

MAJ:msk  
Enc.